



# City Council of Los Angeles



JACKIE GOLDBERG  
Councilmember, 13th District

August 24, 1994

Mr. Barrie L. Wexler, President  
Ms. Lynn Z. Wexler, Senior Vice President  
Phase2 Developers  
2628 Angelo Drive  
Los Angeles, California 90077-2130

Dear Barrie and Lynn:

Thank you for your leadership in the development phase of a Hollywood Business Improvement District (BID). Your thoughtful, methodical manner will go a long way toward making the BID a reality. I would like to take this time to summarize these efforts so that we may continue to work efficiently toward our goal.

A BID is a State-authorized entity which oversees the planning and management of services in a designated commercial area. As described in the enclosed Planning Report article, a BID offers a commercial area services similar to those provided in more tightly controlled shopping malls. It is funded through an assessment of area merchants in a manner analogous to common area fees paid by mall tenants. New legislation will likely expand the assessment to property owners before the end of this year. The assessment pays for services above and beyond those provided by the City.

As we have discussed, it is our goal to establish a BID without an assessment for a year or two. Funding during this "pilot" period will come largely from the Community Redevelopment Agency (CRA) which has set aside some funds for it this fiscal year. Before we can move forward and seek the support of merchants and property owners, however, we must develop a common vision of what the Boulevard can look like with a BID. I am looking to you and Raleigh Studios to provide an operating framework from which we can develop this vision.

I am quite impressed and encouraged that you have secured the commitment of Richard Hutman of Karsten-Hutman-Margolf in this effort. I understand that he is to act as a Project Manager and will identify urban design and retail/marketing consultants to develop the BID vision before you assemble a "Board" whose main task will be obtain the support of area merchants and property

CITY HALL  
200 N. Spring St./Room 240  
Los Angeles, CA 90012  
213/485-3353

COMMITTEES  
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Vice Chair, Public Works  
Member, Administrative Services

FIELD OFFICE  
3525 Sunset Blvd.  
Los Angeles, CA 90026  
213/913-4693

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owners. I also understand that Mr. Hutman has offered his services and those of the team he will assemble for an amount far below what firms of their caliber would normally ask. It is my understanding that the funds for this phase are to be provided by the Hollywood Sign Trust through Hollywood Is A Festival, Inc., a 501(c)(6) organization. At some point, we must be sure to acknowledge publicly their contribution to this effort. I look forward to personally thanking Mr. Hutman for his civic-mindedness when we meet on Friday, August 26, 1994.


To the extent that you can do so, you and Raleigh Studios will continue to oversee the efforts of Mr. Hutman and his team. You will then develop an informal board of five or six key individuals who can use the team's information to devise and execute a plan to gain support from area merchants and property owners. Once you have initial support, we can commence the legislative initiative, including public hearings, to create an official BID and make appointments to its board. Hopefully, we can have one no later than January or February, 1995.

Once we have an official, but assessment-free BID, we can allocate some of the funds available through the CRA to execute plans developed by the board. Staffing will certainly be a critical issue, but I hope that the board will proceed along the same lines you have by attracting experienced, high caliber individuals for what will prove to be an enormous job.

Barrie and Lynn, I greatly appreciate your efforts. I am convinced that the only way a BID can become a reality is through private sector participation from the onset. And, once established, the only way a BID can succeed is through the continued leadership of individuals such as yourselves and stakeholders such as Raleigh Studios.

I recognize that part of your motivation is to ensure the success of your Hollywood Studios project at the Galaxy. If you proceed as you have with the BID, I have no doubt that it will be quite successful. I only wish that other developers were as willing as you to accrue so many benefits to the community in the process.

Sincerely,

  
JACKIE GOLDBERG  
Councilmember, 13th District

Enclosure  
JG:vg